

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
)	
Request for Review by EasyLink Services	)	WC Docket No. 06-122
International Corporation of Decision)	
of Universal Service Administrator)	

**REQUEST FOR REVIEW OF DECISION OF
UNIVERSAL SERVICE ADMINISTRATOR**

EasyLink Services International Corporation (“EasyLink” or the “Company”), by and through its attorneys and pursuant to Sections 54.719(c), 54.721, and 54.722 of the rules of the Federal Communications Commission (“FCC” or “Commission”), respectfully requests review of the August 20, 2013 decision (the “Decision”) of the Universal Services Administrative Company (“USAC” or “Administrator”), which denies EasyLink’s request for a reversal of its outstanding account balance. As discussed below, the Commission, pursuant to Section 1.3 of the Commission’s rules, should waive for good cause Section 54.713(b) of the Commission’s rules and cancel the interest and penalties resulting from EasyLink’s alleged failure to make timely payments on its alleged outstanding USF contribution balance. For the reasons presented below, EasyLink respectfully requests that the Wireline Competition Bureau (the “Bureau”) of the Commission grant such waiver. EasyLink also requests that the Bureau order a full accounting on EasyLink’s USAC account, and reverse any and all incorrect amounts, whether principal USF fees, interest or penalties, in light of the extensive USAC errors made over the years, the USAC Administrator’s erroneous and arbitrary refusal to detail and explain those errors in the Decision, and the confusion associated with the account, as set forth herein.

I. STATEMENT OF INTEREST

EasyLink is the entity that was the subject of the Decision and is therefore directly affected by the same.

II. STATEMENT OF RELEVANT FACTS

From March 1997 until June 2002, EasyLink offered telecommunication services including electronic messaging and was thereby subject to the Commission's Form 499-A filing requirement. As set forth in the Decision, and as an undisputed fact, in July 2003, EasyLink sent a certified letter to USAC notifying USAC that it was no longer providing telecommunication services and requested that USAC terminate the Company's related 499 Filer ID No. 808746 (the "Account").

In the ten years following EasyLink's initial request to terminate the Account, there has been a great amount of confusion surrounding the Account's actual outstanding balance. According to a January 17, 2011 email received by EasyLink's outside counsel from Rich Seetoo, a USAC Senior Financial Analyst, USAC committed a host of accounting errors on the Account, beginning with its failure to correctly perform a manual inactive reconciliation. (*See Exhibit "A"*). This first accounting error resulted in an inaccurate August 2003 invoice, which USAC failed to properly remedy and, instead, further complicated the accounting with a series of erroneous charges and reversals. These were not minor accounting errors. According to the January 17th email from Mr. Seetoo, USAC's various mistakes, which continued well into the 2010 billing cycle, apparently caused account discrepancies in excess of \$375,000. Four days after Mr. Seetoo sent this explanation of USAC's various errors, USAC issued to EasyLink its January 2011 invoice listing a credit balance of \$13,086.59. These facts taken together, led

EasyLink to believe that the billing issues had been resolved and that it owed no outstanding debt related to the Account.

EasyLink continued under the belief that there was a positive balance on their account until July 9, 2012, when the company received a Notice of Withholding Action from USAC Billing. (See Exhibit “B”) The notice stated that EasyLink owed an outstanding debt of \$365,423.93 to USAC. This notice came a full ten years after EasyLink had ceased offering any telecommunications services falling under the USF contribution requirement. At various times, including as discussed below, EasyLink reached out to USAC for clarification in order to ascertain where the charges had come from, and the Company has since been trying, with very little luck, to get a full and complete sense of this very complicated account history. On January 16, 2013, Jack Harwood, EasyLink’s General Counsel, wrote to USAC Billing and Disbursement to dispute the outstanding balance and ask again that USAC terminate the Company’s 499 Filer ID. On January 31, 2013, having received no response from USAC, Mr. Harwood sent a follow-up letter referencing the first letter and reiterating his request. The letters were emailed to USAC Customer Support and delivered via FedEx and Facsimile to the USAC Billing and Disbursement department. The letters were not addressed to the USAC appeals department, and they made no mention of intent to file an appeal. (See Exhibits “C” and “D”)

Finally, a full seven months later, the Company received a letter from USAC captioned “Administrator’s Decision on Contributor Appeal” dated August 20, 2013 (the “Decision”), bearing the following subject line: “EasyLink Services International Corporation (Filer ID 808746) Letter of Appeal dated October 18, 2012.” (See Exhibit “E”) In the opening paragraph, USAC asserts that it “has completed its evaluation of the appeal [Mr. Harwood] submitted on behalf of [EasyLink], dated January 16, 2013.” EasyLink is unaware of any October 18, 2012

correspondence between the Company and USAC. While it is true that EasyLink sent a letter to USAC on January 16, 2013 (the “Letter”), it was in no way styled as an appeal letter.

The Decision actually admits a significant number of credits, debits, and transfers related to the Account. However, there appear to be significant and troublesome gaps in the chronology. Notably, in footnote number five at page two (2) of the Decision, USAC makes a cursory mention of its accounting errors, which reads as follows in its entirety: “Although [EasyLink’s] Filer ID was deactivated, USAC’s billing system continued to erroneously charge EasyLink in several months after June 2002. Due to the complexity of the charges and reversals that took place to resolve the issues, this administrator’s decision letter will not detail each transaction and its corresponding adjustments.” (*See* Exhibit “F”)

III. QUESTIONS PRESENTED

- A. Whether the unique circumstances giving rise to EasyLink’s alleged failure to make timely USF payments constitute good cause for waiver of 47 CFR §54.706(b).
- B. Whether USAC had the authority to interpret EasyLink’s January 16, 2013 letter as a Letter of Appeal and then deny it as such.

IV. ARGUMENT

Pursuant to 47 CFR §1.3, the FCC may exercise discretion to waive a Commission rule where “special circumstances warrant a deviation from the general rule and such deviation will serve the public interest.”¹ The Commission may take into account considerations of equity,

¹ *Northeast Cellular Telephone v. FCC*, 897 Fed. 2d 1164, 1166 (DC Cir. 1990).

hardship, and more effective implementation of overall policy.² EasyLink submits that the facts in this case weigh strongly in favor of a waiver of Commission rule 54.713(b).

A. USAC's repeated accounting errors lead to great confusion as to the actual outstanding balance on the Account.

In the normal course of business, a company is able to use its own accounting systems to determine the status of its outstanding debts to USAC. Indeed, that had been the case with EasyLink's administration of its contribution requirements while it was providing telecommunications services from 1997 until 2002, when the Company ceased offering telecommunications services. However, after EasyLink's request for cancellation in July 2003, USAC committed a host of mistakes – erroneous charges, botched reconciliation attempts, and incorrect credit adjustments – that complicated the accounting and left EasyLink without sufficient basis to determine the actual status of the Account. When USAC issued a Statement of Account to EasyLink showing a \$13,086.59 credit owed to EasyLink, it had been nearly a decade since the Company had provided any telecommunications services that were subject to the Universal Service Fund contribution requirement. EasyLink reasonably relied on USAC's representations and made no additional payments on its 499 Filer ID account. USAC's statements of its many, repeated errors and the overall confusion in the accounting left EasyLink with no choice other than to doubt any billing statement it received from USAC, and instead to request clarification from USAC. As a responsible corporate entity, EasyLink did not feel it could write a check "carte blanche" to USAC when USAC had already essentially admitted its accounting on EasyLink's account had been a complete mess.

² *Wait Radio v. FCC*, 418 Fed. 2d 1153, 1159 (DC Cir. 1969).

B. The Administrator's Decision itself is yet another USAC administrative error, as it purports to deny an appeal though no appeal was ever submitted by EasyLink.

A formal appeal is not a contributor's only means of solving a USAC billing dispute.

Instead, a contributor may opt to use USAC's informal dispute resolution process, which may lead to an administrative remedy that does not require a formal decision. The USAC website outlines the protocol for submitting an appeal letter, and lists various elements that the letter should include in order to reduce confusion and ensure that only correspondence intended as an appeal is processed and decided upon as such. For example, appellants are instructed to "[n]ote in the title of the document the USAC action or decision [they] are appealing and the relevant date of the USAC action, [s]tate in the title or the body of the letter that it is an 'appeal,' and [p]rovide an explanation of the basis for [the] appeal and include copies of all relevant documentation with as much detailed information as possible."³ Because it encourages contributors to seek informal dispute resolution prior to submitting a formal appeal, it is especially important for USAC to ensure that only actual appeal letters are processed as such.

The Company's January 16, 2013 letter was not intended as an appeal, and it does not comport with the appeal letter instructions listed on the USAC website. As such, the Company was somewhat bewildered when it received the Decision seven months after submitting its letter. By mistakenly processing EasyLink's dispute letter as a formal appeal and issuing a formal denial thereto, USAC is inadvertently prejudicing EasyLink for attempting to forward the Commission's goal of efficient administration.

C. In light of USAC's mistakes, EasyLink should not be prejudiced with late fees and interest.

³ See Program on Integrity, *USAC.org* <http://www.usac.org/cont/about/program-integrity/appeals.aspx>, retrieved October 16, 2013.

Prior to requesting the account cancelation in 2003, EasyLink made regular contributions to the Universal Service Fund. However, due to the myriad of accounting errors admittedly made by USAC – erroneous charges, improper support mechanism activity reversals, double crediting of True-Up adjustments, mistaken end date changes, etc. – it has been very difficult for EasyLink to determine and verify an accurate account balance. According to the Decision, “USAC’s billing system continued to erroneously charge EasyLink in several months after June 2002.”⁴ However, “due to the complexity of the charges and reversals that took place to resolve the issues,” USAC decided not to “detail each transaction and correcting adjustments” in the Decision.⁵ Any failure by EasyLink to make timely payments on its USAC account was inadvertent, reasonable, and should be excused.

The Commission has previously stated that USAC “should explain the reasons for its adjustments prior to or at the time it issue[s]” affected invoices.⁶ Failure to do so is inconsistent with “its obligation to administer universal service support in ‘an efficient, effective, and competitively neutral manner.’”⁷ Such guidance notwithstanding, at no point has USAC offered EasyLink a complete and cogent explanation for the errors. Even now, due to USAC’s scattered, piecemeal approach – which has culminated with an unsubstantiated Administrator’s Decision – EasyLink cannot be sure when USAC’s errors began or whether they were every properly rectified.

D. USAC’s Pay-and-Dispute procedure is not appropriate, given the specific facts of this case.

In light of USAC’s ongoing failure to account for its administrative errors, it would be completely unreasonable to expect EasyLink to follow USAC’s “pay and dispute” procedure – a

⁴ See Exhibit “E” at 2, note 5

⁵ *Id.*

⁶ *In the Matter of Fed.-State Joint Bd. on Universal Serv.*, 25 F.C.C. Red. 8036, 8039 (2010)

⁷ *Id.* (citing 47 C.F.R. § 54.701(a))

creature of USAC's unilateral, ultra vires fiat. Pursuant to Section 54.702 of the Commission's rules, USAC "may not make policy, interpret unclear provisions of the statute or rules, or interpret the intent of Congress."⁸ While it may be true that the Commission has upheld USAC's pay and dispute procedure in several previous cases, the Administrator's procedure has not been adopted by the Commission through a formal rulemaking proceeding. Therefore, the Commission is not bound to adhere to it in every case, especially where, like here, USAC has admitted that its own errors have resulted in major account discrepancies. Additionally, because EasyLink has not been required to make USF contributions for over a decade, EasyLink's failure to pay will in no "harm the predictability of the fund."⁹

E. The special circumstances present here constitute good cause for waiver of 47 CFR 54.713(b).

The Commission may grant a request for waiver of the Commission rule requiring the assessment of penalties and fees for failure to make timely payments to USAC when such failure was inadvertent on the part of the requesting party. For example, in response to Outfitter Satellite, Inc.'s recent request for waiver, the Commission waived Rule 54.713(b) despite Outfitter Satellite, Inc.'s inadvertent errors because, like here, USAC failed to properly bill the company for a number of years.¹⁰

⁸ See 47 C.F.R. §54.702(c).

⁹ The Commission has upheld USAC's pay and dispute procedure where it finds that "[a]bsent enforcement of the pay and dispute procedure, other contributors may choose to engage in similar nonpayment or underpayment of invoices with which they disagree, thereby harming the predictability of the fund." See *In the Matter of Universal Service Contribution Methodology Requests for Waiver of Decision of the Universal Service Administrator by ComScape Telecommunications of Raleigh-Durham, Inc. and Millennium Telecom, LLC*, WC Docket No. 06-122, DA 10-1050, 25 FCC Rcd. 7399, 7401 at para 9. (where the contributor failed to timely submit corrected filings and then unilaterally "chose to pay only what it thought it would owe had it reported its revenue correctly.")

¹⁰ See *In the Matter of Universal Service Contribution Methodology Petition for Waiver of Universal Service Fund Rules by Outfitter Satellite, Inc.* WC Docket No. 06-122, DA 13-1917 released September 17, 2013, at para 20.

In its 2007 Comprehensive Review Order, the Commission states that its goal is to make the universal service programs more effective and efficient.¹¹ Requiring EasyLink to pay late fees and interest would run contrary to the Commission's overall policy regarding Universal Service and defy equity by tacitly endorsing USAC's myriad mistakes. Furthermore, because EasyLink has not been subject to USF contributor requirements for over a decade, the public's interest in deterring EasyLink from making similar mistakes in the future is, at most, minimal. Certainly, any such interest pales in comparison to the public's interest in holding USAC accountable for its egregious and costly errors, the same errors to which USAC admitted (though simultaneously dismissed as immaterial) in the Decision. In light of the special circumstance present in this case, "strict enforcement of [Commission's] rules regarding assessment of interest and penalties would not be consistent with the public interest in effective and efficient administration of the Fund."¹² EasyLink further requests the Commission order a full accounting on EasyLink's USAC account.

Even after the Decision, EasyLink has no confidence in USAC's findings. USAC staff admitted to EasyLink that tremendous errors had been made to the account. The Decision confirmed yet refused to explain and justify the outstanding amount. The Commission should require USAC to conduct a comprehensive accounting on EasyLink's USF account and set forth the errors, reversals, and any fees improperly charged or claimed owing. And the Commission should order USAC to reverse any and all incorrect amounts, whether principal USF fees, interest or penalties. EasyLink respectfully asks that the Commission order this accounting prior to requiring EasyLink to remit payments due, in light of the extensive USAC errors made over

¹¹ See *Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight et al.*, WC Docket No. 05-195 et al., Report and Order, 22 FCC Rcd 16372, para. 4

¹² See *In the Matter of Universal Service Contribution Methodology Petition for Waiver of Universal Service Fund Rules by Outfitter Satellite, Inc.* WC Docket No. 06-122, DA 13-1917 released September 17, 2013, at para 20.

the years, the USAC Administrator's refusal to detail and explain those errors in the Decision, and the utter confusion associated with the account.

V. CONCLUSION

For the foregoing reasons, a waiver of Section 54.706(b) of the FTC's rules is appropriate to prevent inequity and to serve the policy underlying the Commission's rules. As such, EasyLink respectfully requests that the Commission grant this Request for Review and hold that the Decision is erroneous. EasyLink respectfully requests that the Commission order a full accounting on EasyLink's Account and waive late fees and interest beginning in 2003 or any other relief as in the Commission's discretion.

Respectfully submitted,

EasyLink Services International Corporation

A handwritten signature in blue ink, appearing to read "Michelle W. Cohen", with a long horizontal line extending to the right.

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EXHIBIT “A”

Casselle Smith

From: Rich Seetoo <rseetoo@usac.org>
Sent: Wednesday, July 18, 2012 9:38 AM
To: Rich Seetoo
Subject: FW: 808746 follow up
Attachments: 808746 Michelle.xls

From: Rich Seetoo
Sent: Monday, January 17, 2011 5:12 PM
To: 'Michelle.Cohen@thompsonhine.com'
Cc: 'slewis@easylink.com'; 'schnerer@easylink.com'; Rich Seetoo
Subject: 808746 follow up

Michelle-

Each month USAC performs an inactive reconciliation on filer IDs that have newly deactivated or changed their deactivation date. Credits or debits may be applied based on the end date and if existing forms are cancelled. On 7/11/03, a notarized letter was received stating that 808746 was no longer providing telecom services as of 6/30/02.

A manual inactive reconciliation appeared on the Aug 03 invoice. It credited (\$322,513.34) in support mechanism charges from the Jul 02 invoice forward and (\$44,380.10) in late payment fees from the Sept 02 invoice forward was applied on the Aug 03 invoice. Support mechanism activity reversals need to have a Reason Code applied at the same time in order to identify the 499 filing to the system. This was not done correctly in the Aug 03 inactive reconciliation. Instead of breaking all the necessary credits out by four 499-Q filings (May 02-Q, Aug 02-Q, Nov 02-Q, Feb 03-Q) and one 499-A filing (2003-A), the credits were lumped together by support mechanism type. The spreadsheet line items that are highlighted in pink are part of the inactive reconciliation from the Aug 03 invoice. The 2002-A true-up (reconciles calendar year 2001) from the Jul 02 to Sept 02 invoices, late payment fees from the Jul 02 and Aug 02 invoices, payments, DCIA transfers and activity previous to 6/30/02 would remain on the account.

As part of the inactive reconciliation process, 499Q and 499A forms that are cancelled have all related support mechanism activity zeroed out. The 2003-A filing was cancelled. In October 2004, USAC once reviewed EasyLink's account and mistakenly determined that EasyLink had not received its credit adjustment for the 2003 A/Q True Up. USAC then applied the credit adjustments again to the account. The credit adjustment appeared on the October 2004 invoice. Before the corrections in Jul and Aug 2010, the last activity for the 2003-A was in Dec 04. The sum of the 2003-A line items at this point was (\$376,741.94) where it should have been \$0.00. See the 2003-A tab in the spreadsheet.

From Jan 05 to Jun 10, 808746 was billed interest and late filing fees.

In Jul 10, it appeared that the end date on 808746 changed from 6/30/02 to 1/15/03. This caused the original inactive reconciliation (aka the lumped credit) from the Aug 03 invoice to be reversed on the Jul 10 invoice. In turn, 499Q revisions and interest were credited on the Jul 10 invoice.

After the Jul 10 invoice was mailed, I was asked by Customer Support to breakout 808746's July 10 invoice per Scott's request. I explained that an end date change caused the activity on the Jul 10 invoice. I believe Scott asked for documentation for the end date change. I checked with a 499 analyst who stated that the end date change was a

mistake. I reviewed the account myself and realized that the original inactive reconciliation from 8/15/03 was not done properly. I determined that the activity from the Oct 04 invoice was incorrect as well.

In coordination with line items applied on the July 2010 invoice, I applied additional credits and debits to the August 2010 invoice that completed the inactive reconciliation of 808746.

I apologize for the mistakes made to 808746's account, but the activity from the Aug 10 invoice finally corrects the account.

Please let me know if there further questions.

Thanks.

Rich

FILE ID	CLE	TRANSACTION DATE	LINE ITEM TYPE	MECHA	LINE ITEM AMT	REASON CODE	FILING	REASON	COMMENT 2	End date: 6/30/2002
808746	16	7/16/2001	PBDB	USF	\$131,318.74	Previous Balance				
808746	16	7/16/2001	HCSMC	HC	\$9,435.59	High Cost Support Mechanism Charges	May 01-Q	REVADJ4	zeroed out	
808746	16	7/16/2001	SLSMC	SLC	\$7,302.81	Schools & Libraries Support Mechanism Charges	May 01-Q	REVADJ4	zeroed out	
808746	16	7/16/2001	RHCSMC	RHCC	\$35.54	Rural Health Care Support Mechanism Charges	May 01-Q	REVADJ4	zeroed out	
808746	16	7/16/2001	LISMC	LI	\$1,683.41	Low Income Support Mechanism Charges	May 01-Q	REVADJ4	zeroed out	
808746	16	7/16/2001	LATEPAY	USF	\$3,135.16	Late Payment Fee				
808746	17	8/15/2001		USF	(\$18,425.76)	July Current Balance Correction				
808746	17	8/15/2001	LPCR	USF	(\$2,288.46)	Late Payment Fee Credit				
808746	17	8/15/2001	LATEPAY	USF	\$903.14	Late Payment Fee				
808746	17	8/15/2001	HCSMCR	HC	(\$9,435.59)	High Cost Support Mechanism Credit	May 01-Q	REVADJ4	zeroed out	
808746	17	8/15/2001	RHCSMCR	RHCC	(\$35.54)	Rural Health Care Support Mechanism Credit	May 01-Q	REVADJ4	zeroed out	
808746	17	8/15/2001	LISMCR	LI	(\$1,683.41)	Low Income Support Mechanism Credit	May 01-Q	REVADJ4	zeroed out	
808746	17	8/15/2001	SLSMCR	SLC	(\$7,302.81)	Schools & Libraries Support Mechanism Credit	May 01-Q	REVADJ4	zeroed out	
808746	18	9/12/2001	PAYMENT	USF	(\$18,425.76)	Payment				
808746	18	9/14/2001	LATEPAY	USF	\$638.14	Late Payment Fee				
808746	19	10/19/2001	LATEPAY	USF	\$789.74	Late Payment Fee				
808746	20	11/15/2001	LATEPAY	USF	\$774.84	Late Payment Fee				
808746	21	12/14/2001	LATEPAY	USF	\$781.00	Late Payment Fee				
808746	22	1/15/2002	LATEPAY	USF	\$787.20	Late Payment Fee				
808746	23	2/15/2002	LATEPAY	USF	\$793.45	Late Payment Fee				
808746	24	3/15/2002	LATEPAY	USF	\$799.74	Late Payment Fee				
808746	27	4/15/2002	LATEPAY	USF	\$812.49	Late Payment Fee				
808746	33	5/15/2002	LPCR	USF	(\$6.40)	Late Payment Fee Credit				
808746	33	5/15/2002	LATEPAY	USF	\$812.44	Late Payment Fee				
808746	39	6/14/2002	LATEPAY	USF	\$818.94	Late Payment Fee				
808746	57	7/15/2002	LATEPAY	USF	\$799.64	Late Payment Fee				
808746	57	7/15/2002	HCSMADJ	HC	\$49,615.70	High Cost Support Mechanism Adjustment	2002-A	REVADJ3		
808746	57	7/15/2002	LISMADJ	LI	\$13,001.10	Low Income Support Mechanism Adjustment	2002-A	REVADJ3		
808746	57	7/15/2002	RHCSMADJ	RHCC	\$608.94	Rural Health Care Support Mechanism Adjustment	2002-A	REVADJ3		
808746	57	7/15/2002	SLSMADJ	SLC	\$43,288.24	Schools & Libraries Support Mechanism Adjustment	2002-A	REVADJ3		
808746	59	8/15/2002	LATEPAY	USF	\$805.99	Late Payment Fee				
808746	59	8/15/2002	HCSMADJ	HC	\$49,615.70	High Cost Support Mechanism Adjustment	2002-A	REVADJ3		
808746	59	8/15/2002	LISMADJ	LI	\$13,001.10	Low Income Support Mechanism Adjustment	2002-A	REVADJ3		
808746	59	8/15/2002	RHCSMADJ	RHCC	\$608.94	Rural Health Care Support Mechanism Adjustment	2002-A	REVADJ3		
808746	59	8/15/2002	SLSMADJ	SLC	\$43,288.24	Schools & Libraries Support Mechanism Adjustment	2002-A	REVADJ3		
808746	62	9/13/2002	HCSMADJ	HC	\$49,615.70	High Cost Support Mechanism Adjustment	2002-A	REVADJ3		
808746	62	9/13/2002	LISMADJ	LI	\$13,001.10	Low Income Support Mechanism Adjustment	2002-A	REVADJ3		
808746	62	9/13/2002	RHCSMADJ	RHCC	\$608.94	Rural Health Care Support Mechanism Adjustment	2002-A	REVADJ3		
808746	62	9/13/2002	SLSMADJ	SLC	\$43,288.24	Schools & Libraries Support Mechanism Adjustment	2002-A	REVADJ3		
808746	72	3/14/2003	PAYMENT	USF	(\$23,940.93)	Payment				
808746	73	3/25/2003	PAYMENT	USF	(\$15,791.60)					
808746	76	7/15/2003	DCIA-TRAN	USF	(\$564,713.81)	July 1 Transfer to the FCC			zeroed out	
808746	77	8/15/2003	DCIA-TRANR	USF	\$564,713.81	Reversal of July 2003 transfer for Inactive Status			zeroed out	
808746	92	11/1/2004	PAYMENT	USF	(\$31,008.75)					
808746	101	8/15/2005	DCIA-TRAN	USF	(\$5,306.77)	9/1 Transfer to the FCC				
808746	102	9/15/2005	DCIA-TRAN	USF	(\$121.20)	10/1 Transfer to the FCC				
808746	103	10/3/2005	PAYMENT	USF	(\$520.23)					
808746	129	12/14/2007	DCIA-TRAN	USF	(\$98.80)	1/1 Transfer to the FCC				
808746	141	12/15/2008	DCIA-TRAN	USF	(\$417.18)	Per the DCIA Transfer handoff.			zeroed out	
808746	141	12/15/2008	DCIA-TRANR	USF	\$400.00	Reversing per Fred Theobald.			zeroed out	
808746	141	12/15/2008	DR MAN DCIA PEN	USF	\$7.10	Reversing per Fred Theobald.			zeroed out	
808746	141	12/15/2008	LPDR	USF	\$10.06	Reversing per Fred Theobald.			zeroed out	
808746	148	6/29/2009	PAYMENT	USF	(\$1,473.32)					
					\$346,884.61					

FILE ID	CLE	TRANSACTION DATE	LINE ITEM TYPE	MECHA	LINE ITEM AMT	TO BE REVERSED	FILING	REASON	COMMENT 2
808746	57	7/15/2002	HCSMC	HC	\$11,678.24	High Cost Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	57	7/15/2002	LISMC	LI	\$3,060.12	Low Income Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	57	7/15/2002	RHCSMC	RHCC	\$143.33	Rural Health Care Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	57	7/15/2002	SLSMC	SLC	\$10,188.92	Schools & Libraries Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	59	8/15/2002	HCSMC	HC	\$11,678.24	High Cost Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	59	8/15/2002	LISMC	LI	\$3,060.12	Low Income Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	59	8/15/2002	RHCSMC	RHCC	\$143.33	Rural Health Care Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	59	8/15/2002	SLSMC	SLC	\$10,188.92	Schools & Libraries Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	62	9/13/2002	LATEPAY	USF	\$1,831.97	Late Payment Fee		LPCR	correctly reversed in Aug 2010
808746	62	9/13/2002	HCSMC	HC	\$11,678.24	High Cost Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	62	9/13/2002	LISMC	LI	\$3,060.12	Low Income Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	62	9/13/2002	RHCSMC	RHCC	\$143.33	Rural Health Care Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	62	9/13/2002	SLSMC	SLC	\$10,188.92	Schools & Libraries Support Mechanism Charges	May 02-Q	REVADJ8	correctly reversed in Aug 2010
808746	64	10/15/2002	LATEPAY	USF	\$2,857.99	Late Payment Fee		LPCR	correctly reversed in Aug 2010
808746	64	10/15/2002	HCSMC	HC	\$12,896.86	High Cost Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	64	10/15/2002	LISMC	LI	\$2,771.43	Low Income Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010

808746	64	10/15/2002	RHCSMC	RHCC	\$142.66	Rural Health Care Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	64	10/15/2002	SLSMC	SLC	\$8,329.98	Schools & Libraries Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	67	11/15/2002	LATEPAY	USF	\$3,766.43	Late Payment Fee		LPCR	correctly reversed in Aug 2010
808746	67	11/15/2002	HCSMC	HC	\$12,696.86	High Cost Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	67	11/15/2002	LISMCR	LI	\$2,771.43	Low Income Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	67	11/15/2002	RHCSMC	RHCC	\$142.66	Rural Health Care Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	67	11/15/2002	SLSMC	SLC	\$8,329.98	Schools & Libraries Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	69	12/13/2002	LATEPAY	USF	\$3,702.92	Late Payment Fee		LPCR	correctly reversed in Aug 2010
808746	69	12/13/2002	HCSMC	HC	\$12,696.86	High Cost Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	69	12/13/2002	LISMCR	LI	\$2,771.43	Low Income Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	69	12/13/2002	RHCSMC	RHCC	\$142.66	Rural Health Care Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	69	12/13/2002	SLSMC	SLC	\$8,329.98	Schools & Libraries Support Mechanism Charges	Aug 02-Q	REVADJ9	correctly reversed in Aug 2010
808746	70	1/15/2003	LATEPAY	USF	\$4,314.40	Late Payment Fee		LPCR	correctly reversed in Aug 2010
808746	70	1/15/2003	HCSMC	HC	\$8,259.31	High Cost Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Jul 2010
808746	70	1/15/2003	LISMCR	LI	\$1,958.93	Low Income Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Jul 2010
808746	70	1/15/2003	RHCSMC	RHCC	\$34.09	Rural Health Care Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Jul 2010
808746	70	1/15/2003	SLSMC	SLC	\$5,539.27	Schools & Libraries Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Jul 2010
808746	71	2/14/2003	LATEPAY	USF	\$4,528.84	Late Payment Fee		LPCR	correctly reversed in Aug 2010
808746	71	2/14/2003	HCSMC	HC	\$8,259.31	High Cost Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Jul 2010
808746	71	2/14/2003	LISMCR	LI	\$1,958.93	Low Income Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Jul 2010
808746	71	2/14/2003	RHCSMC	RHCC	\$34.09	Rural Health Care Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Jul 2010
808746	71	2/14/2003	SLSMC	SLC	\$5,539.27	Schools & Libraries Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Jul 2010
808746	72	3/14/2003	LATEPAY	USF	\$4,063.54	Late Payment Fee		LPCR	correctly reversed in Aug 2010
808746	72	3/14/2003	HCSMC	HC	\$8,259.31	High Cost Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Aug 2010
808746	72	3/14/2003	LISMCR	LI	\$1,958.93	Low Income Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Aug 2010
808746	72	3/14/2003	RHCSMC	RHCC	\$34.09	Rural Health Care Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Aug 2010
808746	72	3/14/2003	SLSMC	SLC	\$5,539.27	Schools & Libraries Support Mechanism Charges	Nov 02-Q	REVADJ10	correctly reversed in Aug 2010
808746	73	4/15/2003	LATEPAY	USF	\$4,723.70	32		LPCR	correctly reversed in Jul 2010
808746	73	4/15/2003	HCSMC	HC	\$16,076.08		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	73	4/15/2003	LISMCR	LI	\$3,449.66		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	73	4/15/2003	RHCSMC	RHCC	\$198.08		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	73	4/15/2003	SLSMC	SLC	\$11,284.92		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	74	5/15/2003	LATEPAY	USF	\$4,536.67	30		LPCR	correctly reversed in Jul 2010
808746	74	5/15/2003	HCSMC	HC	\$16,076.08		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	74	5/15/2003	LISMCR	LI	\$3,449.66		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	74	5/15/2003	RHCSMC	RHCC	\$198.08		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	74	5/15/2003	SLSMC	SLC	\$11,284.92		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	75	6/13/2003	LATEPAY	USF	\$4,644.51	29		LPCR	correctly reversed in Jul 2010
808746	75	6/13/2003	HCSMC	HC	\$16,076.08		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	75	6/13/2003	LISMCR	LI	\$3,449.66		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	75	6/13/2003	RHCSMC	RHCC	\$198.08		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	75	6/13/2003	SLSMC	SLC	\$11,284.92		Feb 03-Q	REVADJ11	correctly reversed in Jul 2010
808746	76	7/15/2003	LATEPAY	USF	\$5,409.33	32		LPCR	correctly reversed in Jul 2010
808746	76	7/15/2003	HCSMADJ	HC	\$9,234.23	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	76	7/15/2003	LISMADJ	LI	\$1,854.94	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	76	7/15/2003	RHCSMADJ	RHCC	\$88.70	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	76	7/15/2003	SLSMADJ	SLC	\$5,939.98	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	77	8/15/2003	HCSMADJ	HC	\$9,234.23	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	77	8/15/2003	LISMADJ	LI	\$1,854.94	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	77	8/15/2003	RHCSMADJ	RHCC	\$88.70	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	77	8/15/2003	SLSMADJ	SLC	\$5,939.98	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	77	8/15/2003	LPCR	USF	(\$44,380.10)	Inactive 6/30/2002 - reverses LPFs September 2002 forward			correctly reversed in Jul 2010
808746	77	8/15/2003	HCSMCR	HC	(\$164,599.93)	Inactive 6/30/2002 - reverses charges July 2002 forward		orig inact rec	correctly reversed in Jul 2010
808746	77	8/15/2003	LISMCR	LI	(\$37,430.30)	Inactive 6/30/2002 - reverses charges July 2002 forward		orig inact rec	correctly reversed in Jul 2010
808746	77	8/15/2003	RHCSMCR	RHCC	(\$1,731.88)	Inactive 6/30/2002 - reverses charges July 2002 forward		orig inact rec	correctly reversed in Jul 2010
808746	77	8/15/2003	SLSMCR	SLC	(\$118,751.23)	Inactive 6/30/2002 - reverses charges July 2002 forward		orig inact rec	correctly reversed in Jul 2010
808746	77	8/15/2003	LATEPAY	USF	\$1,140.08	31		LPCR	correctly reversed in Jul 2010
808746	78	9/15/2003	HCSMCR	HC	(\$9,234.23)	Inactive 6/30/2002 - reverses September 2003 True Up Adjustments	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	78	9/15/2003	LISMCR	LI	(\$1,854.94)	Inactive 6/30/2002 - reverses September 2003 True Up Adjustments	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	78	9/15/2003	RHCSMCR	RHCC	(\$88.70)	Inactive 6/30/2002 - reverses September 2003 True Up Adjustments	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	78	9/15/2003	SLSMCR	SLC	(\$5,939.98)	Inactive 6/30/2002 - reverses September 2003 True Up Adjustments	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	78	9/15/2003	HCSMADJ	HC	\$9,234.23	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	78	9/15/2003	LISMADJ	LI	\$1,854.94	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	78	9/15/2003	RHCSMADJ	RHCC	\$88.70	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	78	9/15/2003	SLSMADJ	SLC	\$5,939.98	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	79	10/15/2003	LATEPAY	USF	\$2,764.45	30		LPCR	correctly reversed in Jul 2010
808746	79	10/15/2003	HCSMCR	HC	(\$8,895.85)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	79	10/15/2003	LISMCR	LI	(\$1,786.97)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	79	10/15/2003	RHCSMCR	RHCC	(\$85.45)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	79	10/15/2003	SLSMCR	SLC	(\$5,722.32)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	80	11/14/2003	LATEPAY	USF	\$2,769.16	30		LPCR	correctly reversed in Jul 2010
808746	80	11/14/2003	HCSMADJ	HC	\$8,895.85	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	80	11/14/2003	LISMADJ	LI	\$1,786.97	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010

808746	80	11/14/2003	RHCSMADJ	RHCC	\$85.45	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	80	11/14/2003	SLSMADJ	SLC	\$5,722.32	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	81	12/15/2003	LATEPAY	USF	\$2,882.89	31		LPCR	correctly reversed in Jul 2010
808746	82	1/15/2004	LATEPAY	USF	\$3,032.15	31		LPCR	correctly reversed in Aug 2010
808746	83	2/13/2004	LATEPAY	USF	\$2,857.43	29		LPCR	correctly reversed in Aug 2010
808746	84	3/15/2004	LATEPAY	USF	\$3,077.99	31		LPCR	correctly reversed in Aug 2010
808746	85	4/15/2004	LATEPAY	USF	\$3,100.14	31		LPCR	correctly reversed in Aug 2010
808746	86	5/14/2004	LATEPAY	USF	\$2,922.44	29		LPCR	correctly reversed in Aug 2010
808746	87	6/15/2004	LATEPAY	USF	\$3,249.57	32		LPCR	correctly reversed in Aug 2010
808746	88	7/15/2004	LATEPAY	USF	\$3,068.39	30		LPCR	correctly reversed in Aug 2010
808746	89	8/13/2004	LATEPAY	USF	\$2,989.67	29		LPCR	correctly reversed in Aug 2010
808746	90	9/15/2004	LATEPAY	USF	\$3,427.35	33		LPCR	correctly reversed in Aug 2010
808746	91	10/15/2004	LATEPAY	USF	\$2,761.61	30		LPCR	correctly reversed in Aug 2010
808746	91	10/15/2004	HCSMCR	HC	(\$142,914.34)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	91	10/15/2004	HCSMCR	HC	(\$9,234.23)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	91	10/15/2004	LISMCR	LI	(\$37,448.69)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	91	10/15/2004	LISMCR	LI	(\$1,854.94)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	91	10/15/2004	LPCR	USF	(\$18,582.80)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	91	10/15/2004	RHCSMCR	RHCC	(\$5,939.98)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	91	10/15/2004	RHCSMCR	RHCC	(\$1,754.01)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	91	10/15/2004	SLSMCR	SLC	(\$124,688.55)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	91	10/15/2004	SLSMCR	SLC	(\$88.70)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	92	11/15/2004	LATEPAY	USF	\$445.64	31		LPCR	correctly reversed in Aug 2010
808746	92	11/15/2004	HCSMCR	HC	(\$9,234.23)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	92	11/15/2004	LISMCR	LI	(\$1,854.94)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	92	11/15/2004	RHCSMCR	RHCC	(\$5,939.98)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	92	11/15/2004	SLSMCR	SLC	(\$88.70)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	93	12/15/2004	LATEPAY	USF	\$224.28	30		LPCR	correctly reversed in Aug 2010
808746	93	12/15/2004	HCSMCR	HC	(\$9,234.23)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	93	12/15/2004	LISMCR	LI	(\$1,854.94)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	93	12/15/2004	RHCSMCR	RHCC	(\$5,939.98)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	93	12/15/2004	SLSMCR	SLC	(\$88.70)	REVADJ13	2003-A	REVADJ13	correctly reversed in Aug 2010
808746	94	1/14/2005	LATEPAY	USF	\$114.25	30		LPCR	correctly reversed in Jul 2010
808746	95	2/15/2005	LATEPAY	USF	\$123.44	32		LPCR	correctly reversed in Jul 2010
808746	96	3/15/2005	LATEPAY	USF	\$108.71	28		LPCR	correctly reversed in Jul 2010
808746	97	4/15/2005	LATEPAY	USF	\$121.20	31		LPCR	correctly reversed in Jul 2010
808746	98	5/13/2005	LATEPAY	USF	\$110.14	28		LPCR	correctly reversed in Jul 2010
808746	99	6/15/2005	LATEPAY	USF	\$130.69	33		LPCR	correctly reversed in Jul 2010
808746	100	7/15/2005	LATEPAY	USF	\$119.54	30		LPCR	correctly reversed in Jul 2010
808746	100	7/15/2005	LPCR	USF	(\$12,573.86)	REVADJ23	2005-A	REVADJ23	correctly reversed in Jul 2010
808746	101	8/15/2005	LATEPAY	USF	\$38.66	31		LPCR	correctly reversed in Jul 2010
808746	102	9/15/2005	LATEPAY	USF	\$10.00	31		LPCR	correctly reversed in Jul 2010
808746	103	10/14/2005	LATEPAY	USF	\$10.00	18		LPCR	correctly reversed in Jul 2010
808746	112	7/14/2006	LATE499A	USF	\$100.00	LFF28		LFF28	correctly reversed in Aug 2010
808746	124	7/13/2007	LATE499A	USF	\$100.00	LFF33		LFF33	correctly reversed in Aug 2010
808746	136	7/15/2008	LATE499A	USF	\$400.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	137	8/15/2008	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	138	9/15/2008	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	138	9/15/2008	LATEPAY	USF	\$2.89	LFF for Sep 2008		LPCR	correctly reversed in Jul 2010
808746	139	10/15/2008	DCIA-PEN	USF	\$2.80	INTEREST39		INTEREST39	correctly reversed in Jul 2010
808746	139	10/15/2008	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	140	11/14/2008	DCIA-PEN	USF	\$10.17	INTEREST39		INTEREST39	correctly reversed in Jul 2010
808746	140	11/14/2008	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	141	12/15/2008	DCIA-PEN	USF	\$6.90	INTEREST39		INTEREST39	correctly reversed in Jul 2010
808746	141	12/15/2008	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	142	1/15/2009	DCIA-PEN	USF	\$4.70	INTEREST40		INTEREST40	correctly reversed in Jul 2010
808746	142	1/15/2009	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	143	2/13/2009	DCIA-PEN	USF	\$4.94	INTEREST40		INTEREST40	correctly reversed in Jul 2010
808746	143	2/13/2009	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	144	3/13/2009	DCIA-PEN	USF	\$9.24	INTEREST40		INTEREST40	correctly reversed in Jul 2010
808746	144	3/13/2009	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	145	4/15/2009	DCIA-PEN	USF	\$11.38	INTEREST41		INTEREST41	correctly reversed in Jul 2010
808746	145	4/15/2009	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	146	5/15/2009	DCIA-PEN	USF	\$20.30	INTEREST41		INTEREST41	correctly reversed in Jul 2010
808746	146	5/15/2009	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	147	6/15/2009	DCIA-PEN	USF	\$15.25	INTEREST41		INTEREST41	correctly reversed in Jul 2010
808746	147	6/15/2009	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	148	7/15/2009	DCIA-PEN	USF	\$6.18	INTEREST42		INTEREST42	correctly reversed in Jul 2010
808746	148	7/15/2009	LATE499A	USF	\$400.00	LFF43		LFF Adj	correctly reversed in Jul 2010
808746	148	7/15/2009	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	149	8/14/2009	DCIA-PEN	USF	\$0.24	INTEREST42		INTEREST42	correctly reversed in Jul 2010
808746	149	8/14/2009	LATE499A	USF	\$100.00	LFF38		LFF Adj	correctly reversed in Jul 2010
808746	150	9/15/2009	DCIA-PEN	USF	\$4.56	INTEREST42		INTEREST42	correctly reversed in Jul 2010

808746	150	9/15/2009	LATE499A	USF	\$100.00	LFF38	LFF Adj	correctly reversed in Jul 2010
808746	150	9/15/2009	LATE499A	USF	\$200.00	LFF43	LFF Adj	correctly reversed in Jul 2010
808746	151	10/15/2009	DCIA-PEN	USF	\$5.07	INTEREST44	INTEREST44	correctly reversed in Jul 2010
808746	151	10/15/2009	LATE499A	USF	\$100.00	LFF38	LFF Adj	correctly reversed in Jul 2010
808746	151	10/15/2009	LATE499A	USF	\$100.00	LFF43	LFF Adj	correctly reversed in Jul 2010
808746	152	11/13/2009	DCIA-PEN	USF	\$12.48	INTEREST44	INTEREST44	correctly reversed in Jul 2010
808746	152	11/13/2009	LATE499A	USF	\$100.00	LFF38	LFF Adj	correctly reversed in Jul 2010
808746	152	11/13/2009	LATE499A	USF	\$100.00	LFF43	LFF Adj	correctly reversed in Jul 2010
808746	153	12/15/2009	DCIA-PEN	USF	\$13.61	INTEREST44	INTEREST44	correctly reversed in Jul 2010
808746	153	12/15/2009	LATE499A	USF	\$100.00	LFF38	LFF Adj	correctly reversed in Jul 2010
808746	153	12/15/2009	LATE499A	USF	\$100.00	LFF43	LFF Adj	correctly reversed in Jul 2010
808746	154	1/15/2010	DCIA-PEN	USF	\$16.38	INTEREST45	INTEREST45	correctly reversed in Jul 2010
808746	154	1/15/2010	LATE499A	USF	\$100.00	LFF38	LFF Adj	correctly reversed in Jul 2010
808746	154	1/15/2010	LATE499A	USF	\$100.00	LFF43	LFF Adj	correctly reversed in Jul 2010
808746	155	2/12/2010	DCIA-PEN	USF	\$15.07	INTEREST45	INTEREST45	correctly reversed in Jul 2010
808746	155	2/12/2010	LATE499A	USF	\$100.00	LFF38	LFF Adj	correctly reversed in Jul 2010
808746	155	2/12/2010	LATE499A	USF	\$100.00	LFF43	LFF Adj	correctly reversed in Jul 2010
808746	156	3/15/2010	DCIA-PEN	USF	\$17.74	INTEREST45	INTEREST45	correctly reversed in Jul 2010
808746	156	3/15/2010	LATE499A	USF	\$100.00	LFF38	LFF Adj	correctly reversed in Jul 2010
808746	156	3/15/2010	LATE499A	USF	\$100.00	LFF43	LFF Adj	correctly reversed in Jul 2010
808746	157	4/15/2010	DCIA-PEN	USF	\$21.86	INTEREST46	INTEREST46	correctly reversed in Jul 2010
808746	157	4/15/2010	LATE499A	USF	\$100.00	LFF38	LFF Adj	correctly reversed in Jul 2010
808746	157	4/15/2010	LATE499A	USF	\$100.00	LFF43	LFF Adj	correctly reversed in Jul 2010
808746	158	5/14/2010	DCIA-PEN	USF	\$24.62	INTEREST46	INTEREST46	correctly reversed in Jul 2010
808746	158	5/14/2010	LATE499A	USF	\$100.00	LFF38	LFF Adj	correctly reversed in Jul 2010
808746	158	5/14/2010	LATE499A	USF	\$100.00	LFF43	LFF Adj	correctly reversed in Jul 2010
808746	159	6/15/2010	DCIA-PEN	USF	\$28.03	INTEREST46	INTEREST46	correctly reversed in Jul 2010
808746	159	6/15/2010	LATE499A	USF	\$100.00	LFF38	LFF Adj	correctly reversed in Jul 2010
808746	159	6/15/2010	LATE499A	USF	\$100.00	LFF43	LFF Adj	correctly reversed in Jul 2010

FILER ID	CLE	TRANSACTION DATE	LINE ITEM TYPE	MECHAS	LINE ITEM AMT	REASON CODE	COMMENT	COMMENT 2
808746	160	7/15/2010	LPCR	USF	(\$10.00)	18	LPCR	
808746	160	7/15/2010	LPCR	USF	(\$218.85)	28	LPCR	
808746	160	7/15/2010	LPCR	USF	(\$4,644.51)	29	LPCR	
808746	160	7/15/2010	LPCR	USF	(\$10,304.07)	30	LPCR	
808746	160	7/15/2010	LPCR	USF	(\$4,192.83)	31	LPCR	
808746	160	7/15/2010	LPCR	USF	(\$10,256.47)	32	LPCR	
808746	160	7/15/2010	LPCR	USF	(\$130.69)	33	LPCR	
808746	160	7/15/2010	LPCR	USF	(\$19.87)	INTEREST39	INTEREST39	
808746	160	7/15/2010	LPCR	USF	(\$18.88)	INTEREST40	INTEREST40	
808746	160	7/15/2010	LPCR	USF	(\$46.93)	INTEREST41	INTEREST41	
808746	160	7/15/2010	LPCR	USF	(\$10.98)	INTEREST42	INTEREST42	
808746	160	7/15/2010	LPCR	USF	(\$31.16)	INTEREST44	INTEREST44	
808746	160	7/15/2010	LPCR	USF	(\$49.19)	INTEREST45	INTEREST45	
808746	160	7/15/2010	CR MAN DCIA PEN	USF	(\$13.06)	INTEREST46	INTEREST46	
808746	160	7/15/2010	LPCR	USF	(\$74.51)	INTEREST46	INTEREST46	
808746	160	7/15/2010	LPCR	USF	(\$13.52)	INTEREST46	INTEREST46	
808746	160	7/15/2010	LPCR	USF	(\$2.89)	LPF for Sep 2008	LPCR	
808746	160	7/15/2010	HCSMCR	HC	(\$16,518.62)	REVADJ10	Nov 02-Q REVADJ10	reverses SM activity from Jan 03 and Feb 03 invoices
808746	160	7/15/2010	LISMCR	LI	(\$3,917.86)	REVADJ10	Nov 02-Q REVADJ10	reverses SM activity from Jan 03 and Feb 03 invoices
808746	160	7/15/2010	RHCSMCR	RHCC	(\$68.18)	REVADJ10	Nov 02-Q REVADJ10	reverses SM activity from Jan 03 and Feb 03 invoices
808746	160	7/15/2010	SLSMCR	SLC	(\$11,078.54)	REVADJ10	Nov 02-Q REVADJ10	reverses SM activity from Jan 03 and Feb 03 invoices
808746	160	7/15/2010	HCSMCR	HC	(\$48,228.24)	REVADJ11	Feb 03-Q REVADJ11	reverses SM activity from Apr 03 to Jun 03 invoices
808746	160	7/15/2010	LISMCR	LI	(\$10,348.98)	REVADJ11	Feb 03-Q REVADJ11	reverses SM activity from Apr 03 to Jun 03 invoices
808746	160	7/15/2010	RHCSMCR	RHCC	(\$594.24)	REVADJ11	Feb 03-Q REVADJ11	reverses SM activity from Apr 03 to Jun 03 invoices
808746	160	7/15/2010	SLSMCR	SLC	(\$33,854.76)	REVADJ11	Feb 03-Q REVADJ11	reverses SM activity from Apr 03 to Jun 03 invoices
808746	160	7/15/2010	HCSMADJ	HC	\$164,599.93	Inactive 6/30/2002 - reverses charges July 2002 forward	original inactive rec	
808746	160	7/15/2010	LISMADJ	LI	\$37,430.30	Inactive 6/30/2002 - reverses charges July 2002 forward	original inactive rec	
808746	160	7/15/2010	LPDR	USF	\$44,380.10	Inactive 6/30/2002 - reverses LPFs September 2002 forward	original inactive rec	
808746	160	7/15/2010	RHCSMADJ	RHCC	\$1,731.88	Inactive 6/30/2002 - reverses charges July 2002 forward	original inactive rec	
808746	160	7/15/2010	SLSMADJ	SLC	\$118,751.23	Inactive 6/30/2002 - reverses charges July 2002 forward	original inactive rec	
808746	160	7/15/2010	HCSMCR	HC	(\$19,468.46)	REVADJ13	2003-A REVADJ13	reversed in Aug 2010
808746	160	7/15/2010	LISMCR	LI	(\$3,709.88)	REVADJ13	2003-A REVADJ13	reversed in Aug 2010
808746	160	7/15/2010	RHCSMCR	RHCC	(\$177.40)	REVADJ13	2003-A REVADJ13	reversed in Aug 2010
808746	160	7/15/2010	SLSMCR	SLC	(\$11,879.96)	REVADJ13	2003-A REVADJ13	reversed in Aug 2010
808746	160	7/15/2010	LPDR	USF	\$12,573.86	REVADJ23	2006-A REVADJ23	
808746	160	7/15/2010	DCIA-PEN	USF	\$26.58	INTEREST47	INTEREST47	reversed in Jul 2010
808746	160	7/15/2010	LFCR	USF	(\$2,700.00)	LFF38	LFF38	
808746	160	7/15/2010	LFCR	USF	(\$1,500.00)	LFF43	LFF43	
808746	161	8/13/2010	LFCR	USF	(\$100.00)	LFF28	LFF28	
808746	161	8/13/2010	LFCR	USF	(\$100.00)	LFF33	LFF33	
808746	161	8/13/2010	HCSMCR	HC	(\$8,259.31)	REVADJ10	Nov 02-Q REVADJ10	reverses SM activity from Mar 03 invoice

808746	161	8/13/2010	LISMC	LI	(\$1,958.93)	REVADJ10	Nov 02-Q	REVADJ10	reverses SM activity from Mar 03 invoice
808746	161	8/13/2010	RHCSMCR	RHCC	(\$34.09)	REVADJ10	Nov 02-Q	REVADJ10	reverses SM activity from Mar 03 invoice
808746	161	8/13/2010	SLSMCR	SLC	(\$5,539.27)	REVADJ10	Nov 02-Q	REVADJ10	reverses SM activity from Mar 03 invoice
808746	161	8/13/2010	HCSMADJ	HC	\$170,617.03	REVADJ13	2003-A	REVADJ13	
808746	161	8/13/2010	LPDR	USF	\$18,582.80	REVADJ13	2003-A	REVADJ13	
808746	161	8/13/2010	LISMADJ	LI	\$43,013.51	REVADJ13	2003-A	REVADJ13	
808746	161	8/13/2010	RHCSMADJ	RHCC	\$19,573.95	REVADJ13	2003-A	REVADJ13	
808746	161	8/13/2010	SLSMADJ	SLC	\$124,954.85	REVADJ13	2003-A	REVADJ13	
808746	161	8/13/2010	HCSMCR	HC	(\$35,034.72)	REVADJ8	May 02-Q	REVADJ8	reverses SM activity from Jul 02 to Sept 02 invoices
808746	161	8/13/2010	LISMC	LI	(\$9,180.36)	REVADJ8	May 02-Q	REVADJ8	reverses SM activity from Jul 02 to Sept 02 invoices
808746	161	8/13/2010	RHCSMCR	RHCC	(\$429.99)	REVADJ8	May 02-Q	REVADJ8	reverses SM activity from Jul 02 to Sept 02 invoices
808746	161	8/13/2010	SLSMCR	SLC	(\$30,566.76)	REVADJ8	May 02-Q	REVADJ8	reverses SM activity from Jul 02 to Sept 02 invoices
808746	161	8/13/2010	HCSMCR	HC	(\$38,090.58)	REVADJ9	Aug 02-Q	REVADJ9	reverses SM activity from Aug 02 to Sept 02 invoices
808746	161	8/13/2010	LISMC	LI	(\$8,314.29)	REVADJ9	Aug 02-Q	REVADJ9	reverses SM activity from Aug 02 to Sept 02 invoices
808746	161	8/13/2010	RHCSMCR	RHCC	(\$427.98)	REVADJ9	Aug 02-Q	REVADJ9	reverses SM activity from Aug 02 to Sept 02 invoices
808746	161	8/13/2010	SLSMCR	SLC	(\$24,989.94)	REVADJ9	Aug 02-Q	REVADJ9	reverses SM activity from Aug 02 to Sept 02 invoices
808746	161	8/13/2010	LPCR	USF	(\$56,222.55)	Reversing remaining LPFs to complete the inactive reconciliation.			
808746	164	11/15/2010	DCIA-PEN	USF	\$3,913.15	INTEREST49			
808746	165	12/15/2010	DCIA-PEN	USF	\$7,113.52	INTEREST49			

FILER ID	CYCLE ID	NSACTION	LINE ITEM TYPE	RT MECHANIS	LINE ITEM AMT	REASON CODE	FILING	REASON	COMMENT 2	End date: 6/30/2002
808746	76	7/15/2003	HCSMADJ	HC	\$9,234.23	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	76	7/15/2003	LISMADJ	LI	\$1,854.94	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	76	7/15/2003	RHCSMADJ	RHCC	\$88.70	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	76	7/15/2003	SLSMADJ	SLC	\$5,939.98	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	77	8/15/2003	HCSMADJ	HC	\$9,234.23	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	77	8/15/2003	LISMADJ	LI	\$1,854.94	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	77	8/15/2003	RHCSMADJ	RHCC	\$88.70	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	77	8/15/2003	SLSMADJ	SLC	\$5,939.98	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	77	8/15/2003	HCSMCR	HC	(\$18,468.46)	Inactive 6/30/20(	2003-A	orig inact rec	correctly credited in Jul 2010	(\$164,599.93)
808746	77	8/15/2003	LISMCR	LI	(\$3,709.88)	Inactive 6/30/20(	2003-A	orig inact rec	correctly credited in Jul 2010	(\$37,430.30)
808746	77	8/15/2003	RHCSMCR	RHCC	(\$177.40)	Inactive 6/30/20(	2003-A	orig inact rec	correctly credited in Jul 2010	(\$1,731.88)
808746	77	8/15/2003	SLSMCR	SLC	(\$11,879.96)	Inactive 6/30/20(	2003-A	orig inact rec	correctly credited in Jul 2010	(\$118,751.23)
808746	78	9/15/2003	HCSMCR	HC	(\$9,234.23)	Inactive 6/30/20(	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	78	9/15/2003	LISMCR	LI	(\$1,854.94)	Inactive 6/30/20(	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	78	9/15/2003	RHCSMCR	RHCC	(\$88.70)	Inactive 6/30/20(	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	78	9/15/2003	SLSMCR	SLC	(\$5,939.98)	Inactive 6/30/20(	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	78	9/15/2003	HCSMADJ	HC	\$9,234.23	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	78	9/15/2003	LISMADJ	LI	\$1,854.94	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	78	9/15/2003	RHCSMADJ	RHCC	\$88.70	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	78	9/15/2003	SLSMADJ	SLC	\$5,939.98	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	79	10/15/2003	HCSMCR	HC	(\$8,895.85)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	79	10/15/2003	LISMCR	LI	(\$1,786.97)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	79	10/15/2003	RHCSMCR	RHCC	(\$85.45)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	79	10/15/2003	SLSMCR	SLC	(\$5,722.32)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	80	11/14/2003	HCSMADJ	HC	\$8,895.85	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	80	11/14/2003	LISMADJ	LI	\$1,786.97	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	80	11/14/2003	RHCSMADJ	RHCC	\$85.45	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	80	11/14/2003	SLSMADJ	SLC	\$5,722.32	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	91	10/15/2004	HCSMCR	HC	(\$142,914.34)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	91	10/15/2004	HCSMCR	HC	(\$9,234.23)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	91	10/15/2004	LISMCR	LI	(\$37,448.69)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	91	10/15/2004	LISMCR	LI	(\$1,854.94)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	91	10/15/2004	LPCR	USF	(\$18,582.80)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	91	10/15/2004	RHCSMCR	RHCC	(\$5,939.98)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	91	10/15/2004	RHCSMCR	RHCC	(\$1,754.01)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	91	10/15/2004	SLSMCR	SLC	(\$124,688.55)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	91	10/15/2004	SLSMCR	SLC	(\$88.70)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	92	11/15/2004	HCSMCR	HC	(\$9,234.23)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	92	11/15/2004	LISMCR	LI	(\$1,854.94)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	92	11/15/2004	RHCSMCR	RHCC	(\$5,939.98)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	92	11/15/2004	SLSMCR	SLC	(\$88.70)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	93	12/15/2004	HCSMCR	HC	(\$9,234.23)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	93	12/15/2004	LISMCR	LI	(\$1,854.94)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	93	12/15/2004	RHCSMCR	RHCC	(\$5,939.98)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	
808746	93	12/15/2004	SLSMCR	SLC	(\$88.70)	REVADJ13	2003-A	REVADJ13	correctly credited in Aug 2010	

(\$376,741.94)

808746	160	7/15/2010	HCSMADJ	HC	\$18,468.46	PART OF THE 8 2003-A			\$164,599.93
808746	160	7/15/2010	LISMADJ	LI	\$3,709.88	PART OF THE 8 2003-A			\$37,430.30
808746	160	7/15/2010	RHCSMADJ	RHCC	\$177.40	PART OF THE 8 2003-A			\$1,731.88
808746	160	7/15/2010	SLSMADJ	SLC	\$11,879.96	PART OF THE 8 2003-A			\$118,751.23
808746	160	7/15/2010	HCSMCR	HC	(\$18,468.46)	REVADJ13	2003-A	REVADJ13	reversed in Aug 2010
808746	160	7/15/2010	LISMCR	LI	(\$3,709.88)	REVADJ13	2003-A	REVADJ13	reversed in Aug 2010
808746	160	7/15/2010	RHCSMCR	RHCC	(\$177.40)	REVADJ13	2003-A	REVADJ13	reversed in Aug 2010
808746	160	7/15/2010	SLSMCR	SLC	(\$11,879.96)	REVADJ13	2003-A	REVADJ13	reversed in Aug 2010
(\$376,741.94)									

808746	161	8/13/2010	HCSMADJ	HC	\$170,617.03	REVADJ13	2003-A	REVADJ13
808746	161	8/13/2010	LPDR	USF	\$18,582.80	REVADJ13	2003-A	REVADJ13
808746	161	8/13/2010	LISMADJ	LI	\$43,013.51	REVADJ13	2003-A	REVADJ13
808746	161	8/13/2010	RHCSMADJ	RHCC	\$19,573.95	REVADJ13	2003-A	REVADJ13
808746	161	8/13/2010	SLSMADJ	SLC	\$124,954.65	REVADJ13	2003-A	REVADJ13
					\$0.00			

EXHIBIT “B”

From: Aaron Banks [<mailto:abanks@usac.org>]
Sent: Monday, July 09, 2012 3:17 PM
To: Scott Lewis
Cc: Valarie Bolling; Rich Seetoo
Subject: NOTICE OF WITHHOLDING OF ACTION - EasyLink Services 808746
Importance: High

As required by 47 C.F.R. § 1.1910(a)(1), we have reviewed our accounting records and determined that as of **Monday, July 09, 2012**, you or an entity sharing the same Taxpayer Identification Number has an outstanding DCIA debt of **\$365,423.93** owed to the Universal Service Administrative Company (USAC) or Treasury.

Pursuant to 47 C.F.R. § 1.1910(b) USAC will not distribute the Credit Balance Refund to EasyLink Services - 808746 until the complete debt is satisfied and/or arrangements have been made to pay the delinquent debt.

Your company's debt is currently pending Transfer to Treasury and subject to additional interest/penalties. To avoid transfer to Treasury and additional interest/penalties, please send payment to USAC referencing the following Bill Numbers from the details below:

Bill #	Transfer Date	USAC Balance
U110000447	1/1/2011	\$365,423.93

If you have any questions regarding this notice, please contact USAC for additional information:

Telephone: (888) 641-8722
E-mail: customerservice@bcd.universalservice.org

Sincerely,
USAC Billing

EXHIBIT “C”



Via FedEx, Email, and Fax

January 16, 2013

USAC Billing and Disbursement
2000 L Street, NW
Suite 200
Washington, DC 20036
Fax: 888-637-6226
Email: customersupport@usac.org

Re: Statement of Account for EasyLink Services (Filer 499 ID 808746)

Ladies and Gentlemen:

Reference is made to the Statement of Account dated December 21, 2012 for EasyLink Services, in the amount of \$356,246.85, a copy of which is attached.

My position here as General Counsel of EasyLink Services International Corporation began in June 2011. EasyLink Services is a provider of electronic messaging services, such as electronic data interchange, email, and fax-to-mail services.

Looking through our files, EasyLink has not been a USAC filer for many years now.

Our Vice President, Peter Macaluso, sent a letter to Mr. Fabio Nieto at USAC in July 2004. On July 1, 2010, our Chief Financial Officer, Glen Shipley, sent a letter to Mr. Chang at USAC, stating that EasyLink is a provider of enhanced messaging services, falling under the category of "information services" which are not subject to any universal service fund fees.

Accordingly, I would ask that USAC terminate our existing FCC 499 ID # 808746 and reverse any outstanding balances that your records incorrectly indicate are due from EasyLink.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jack Harwood', written in a cursive style.

Jack Harwood
Vice President and General Counsel
EasyLink Services International Corporation

Attachment (1)



Filer 499 ID: 808746
 Invoice Number: UBD10000591264
 Statement Date: 12/21/2012
 New Balance: \$ 356,246.85
 Payment Due Date: 01/15/2013
 Amount Enclosed:

EasyLink Services
 Attention: Scott Lewis
 6025 The Corners Parkway, Suite 100
 Norcross, GA, 30092

Mail Payment To:
 Universal Service Administrative Company
 PO Box 105056
 Atlanta, GA 30348-5056

Address Change? See reverse side for instructions.

☐ If paying for multiple Filer 499 IDs, please check here and complete form on back.

Send top portion of statement with payment in enclosed envelope. Keep bottom portion for your records.

STATEMENT OF ACCOUNT

Date	Description	Charges	Credits
	Previous Balance	\$354,357.25	
12/14/2012	Interest & DCIA Penalties	\$1,889.60	
TOTAL OUTSTANDING USAC BALANCE AS OF 12/14/2012		\$356,246.85	

Transactions occurring after 12/14/2012 are not reflected on this statement.

Under the Debt Collection Improvement Act of 1996 (Pub. L. 104-134) (DCIA), your BALANCE DUE is a demand that you pay a DEBT owed to the United States on or before the DUE DATE. If the DUE DATE is non-business day, payment must be received the business day before that date. Any portion of the DEBT unpaid after the DUE DATE is a DELINQUENT DEBT, which may result in sanctions, including interest, penalties, and administrative charges. Failure to file a Telecommunications Worksheet may result in a late filing fee DEBT added to your BALANCE DUE. Read the reverse of this Invoice for important information about those sanctions and your legal rights and obligations.

Statement Date	Invoice Number	Filer 499 ID	Balance Due USAC
12/21/2012	UBD10000591264	808746	\$ 356,246.85
FORM 499Q DATA This month's support mechanism charges were calculated using an FCC contribution factor of 0.174000 and the following revenue data: August 2012 499Q 120b 120c If the figures do not correspond with your records, please contact USAC Customer Service at 888-641-8722		PAYMENT INFORMATION All payments received (regardless of specific instructions) will be applied to your outstanding USAC balance in historical order as outlined in FCC order 07-150. Please remit ACH payments in a CCD+ format to ABA #071000039, Account #5590045653. All Wire Transfers should be sent to ABA #026009593, DDA (or Account) #5590045653. Payments must include your Company Name, Filer 499 ID, and Invoice Number to ensure timely posting.	

IMPORTANT LEGAL INFORMATION ABOUT YOUR ACCOUNT AND YOUR RIGHTS AND OBLIGATIONS

1. **DEMAND FOR PAYMENT, DUE DATE & DELINQUENCY.** Under 31 U.S.C. § 3701, C.F.R. § 901.2 and 47 C.F.R. § 1.1911, this is a First Demand for Payment of your **BALANCE DUE**, which is a **DEBT** owed to the United States. Any portion of that amount unpaid after the **PAYMENT DUE DATE** (i.e., the **DATE OF DELINQUENCY**) is a **DELINQUENT DEBT** for which USAC and the FCC may take **COLLECTION ACTION** against you as a **DELINQUENT DEBTOR**. Under 31 U.S.C. § 3717, we will assess interest, penalties and administrative charges (below), from the **DATE OF DELINQUENCY**, and if the **DEBT** remains delinquent, we will refer the matter to the Secretary of the Treasury (Treasury) or the Department of Justice (Justice). **COLLECTION ACTION** may also include judicial enforcement by Justice and/or administrative action by the FCC or Treasury, e.g.: administrative offset, denial of certain federal benefits, and/or referral to private collection attorneys, any or all of which may incur additional charges. Under 31 U.S.C. § 3716, the United States may collect the debt by administrative offset. In addition, the USAC and the FCC will withhold action on any pending application (Red Light) made by a **DELINQUENT DEBTOR**, and the delinquency will be reported to credit-reporting agencies. You may learn more about the DCIA by reading 31 U.S.C. §§ 3701, 3711, 3716, 3717, and 3720B, the Federal Claims Collection Standards (e.g., 31 C.F.R. § 900.1, et seq.), and 47 C.F.R. § 1.1901, et seq.

2. **RECORD REVIEW AND APPEALS.** If you believe the amount of the **BALANCE DUE** is in error, you may ask to inspect, or for USAC to review, the records relevant to this invoice, by submitting, within 15 days of this invoice date, a written request for inspection or review specifying the nature of the error(s) to **CUSTOMER SERVICE**. If you wish to appeal this invoice, you may file an appeal within 60 days of the statement date on the invoice pursuant to the requirements of 47 C.F.R. Part 54, Subpart I. Detailed instructions for filing appeals are available at <http://www.usac.org/cont/about/program-integrity/appeals.aspx>.

3. **PAYMENT PLAN.** If you are unable to pay the **BALANCE DUE** in full, you may request a written payment plan agreement, the terms of which will require interest and administrative charges.

4. **CONSEQUENCES IF YOU DO NOT PAY THE FULL BALANCE DUE.** A failure to submit payment may result in sanctions, including, but not limited to, administrative or judicial proceedings to recover the **DELINQUENT DEBT**, and all accrued administrative charges, penalties, and interest, as set forth below.

INTEREST, PENALTIES, AND CHARGES. Interest at the annual rate equal to the U.S. prime rate as of the **DATE OF DELINQUENCY** plus 3.5 percent accrues from that **DATE** until the **DEBT** is paid in full. This interest rate incorporates administrative charges of collection pursuant to 47 C.F.R. § 54.713. Moreover, a penalty of 6 percent a year accrues on any part of the **DEBT** that is more than 90 days **DELINQUENT**. If the **DEBT** remains unpaid, the full amount of the **DELINQUENT DEBT**, plus accrued interest and penalties, may be transferred to the Treasury or Justice for **COLLECTION ACTION**, and you will be required to pay the administrative costs of processing and handling a **DELINQUENT DEBT** as set by the Treasury (currently 28 percent of the debt). However, if you pay the full amount of the **DELINQUENT DEBT** and associated administrative fees within 30 days of the due date, the interest will be waived. These requirements are set out at 31 U.S.C. § 3717.

5. **LATE FILING FEES FOR INCOMPLETE OR LATE-FILED WORKSHEETS.** Telecommunications Reporting Worksheet (Worksheet) Forms 499-Q or 499-A must be received on Feb 1, Apr 1 (499-A), May 1, Aug 1, and Nov 1. A Worksheet not received when due is **DELINQUENT**, and if more than 30 days **DELINQUENT**, USAC will assess a **LATE FILING FEE** equal to the greater of \$100 per month or an amount computed using the rate of the U.S. prime rate (in effect on the date the applicable Worksheet is due) plus 3.5 percent applied to the amount due per an invoice calculated by USAC. The **LATE FILING FEE** will be included in the **BALANCE DUE**. Any portion of the **LATE FILING FEE** unpaid after the **DUE DATE** will be **DELINQUENT** and subject to DCIA procedures discussed above, including **INTEREST, PENALTIES, and CHARGES**.

If you fail to file your Worksheet and to pay your contribution, interest will accrue on the greater amount due from the earliest date of the failure to file or to pay your contribution.

Payment for Multiple 499 Filer IDs

If paying for more than one Filer 499 ID, complete the form at (http://www.usac.org/_res/documents/cont/pdf/payments/USAC_Payment_Identification_Form.pdf) and submit one copy with the payment coupon(s) for each ID. You may not apply a credit balance from one Filer 499 ID to pay a balance due on another Filer 499 ID. If you are submitting an electronic payment, please send your worksheet by fax or e-mail to **CUSTOMER SERVICE**.

Filer 499 ID	Invoice Number	Amount
1		\$
2		\$
3		\$
4		\$
5		\$
TOTAL AMOUNT*		\$

*The Total Amount must equal the total of all checks submitted.

NOTE: By using this worksheet, you certify that payment made on behalf of another filer is in consideration of fair value on behalf of the payer, and the funds will not be reallocated, reapplied, or returned in the event of insolvency or bankruptcy.

How to Make Payments

Include the company name, filer 499 ID, and invoice number with all payments to avoid late payment charges and FCC Red Light action.

Make checks payable to:

USAC, PO Box 105056, Atlanta, GA 30348-5056

Address payments sent by an overnight mail service to:

USAC, c/o Bank of America (105056), 1075 Loop Road, Atlanta, GA 30337; (404) 209-6377.

Electronic payments:

Please remit ACH payments in a CCD+ format to ABA #071000039, DDA (or Account) #5590045653.

All Wire Transfers should be sent to ABA #026009593, DDA (or Account) #5590045653. U.S. Dollar & Foreign Currency Wire Transfers should use SWIFT code and address of BOFAUS3N.

Change of Invoice Billing Address

To change your USAC invoice billing address, send **CUSTOMER SERVICE** (below) your written request on company letterhead signed by a company officer with a revised FCC Form 499.

(<http://www.usac.org/about/tools/forms.aspx>)

Change of Address for Disbursements and Remittances

To change your disbursement or remittance information address, send USAC, FCC Form 498, 2000 L Street, NW, Suite 200, Washington, DC 20036, your written request on company letterhead signed by a company officer with a completed a Form 498.

(<http://www.usac.org/about/tools/forms.aspx>)

CUSTOMER SERVICE will respond to matters involving:

- Universal Service Fund invoices (including change of address and errors);
- USAC disbursements (remittances, checks and ACHs);
- Form 498 and SPIN issues; and
- FCC Form 499 and revenue reporting issues.

Contact **CUSTOMER SERVICE** at:

USAC Billing and Disbursement
2000 L Street, NW
Suite 200
Washington, DC 20036

Phone: (888) 641-8722
Fax: (888) 637-6226
E-mail: customersupport@usac.org
Web: www.usac.org



Filer 499 ID: 808746
 Invoice Number: UBD10000591264
 Statement Date: 12/21/2012

DETAILED SUMMARY OF CHARGES AND CREDITS

SUPPORT MECHANISM CHARGES

Your monthly support mechanism charges were calculated according to the following formulas:

Quarterly Contribution Base

The quarterly contribution base is a portion of your quarterly revenue that USAC considers when determining your quarterly Universal Service Fund contribution. The quarterly contribution base equals your interstate plus international revenue. Your current quarterly contribution base equals:

$$\frac{\text{Interstate Revenue (Line 120B)}}{\text{Interstate Revenue (Line 120B)}} + \frac{\text{International Revenue (Line 120C)}}{\text{International Revenue (Line 120C)}} = \text{Quarterly Contribution Base}$$

Adjusted Quarterly Contribution

USAC adjusts carriers' quarterly contribution bases by the amount that they are expected to contribute in that quarter. The calculation for an adjusted contribution amount is as follows, and takes into account the circularity deduction:

$$\begin{aligned} & \frac{\text{Quarterly Contribution Base}}{\text{Quarterly Contribution Base}} \cdot \frac{0.174000}{\text{FCC Contribution Factor}} = \text{Unadjusted Contribution} \\ & \text{Unadjusted Contribution} \cdot \left(\frac{\text{Unadjusted Contribution}}{\text{Unadjusted Contribution}} \cdot \frac{0.150973}{\text{FCC Circularity Factor}} \right) = \text{Adjusted Contribution} \end{aligned}$$



Filer 499 ID: 808746
 Invoice Number: UBD10000591264
 Statement Date: 12/21/2012

De Minimis Eligibility

Carriers whose expected annual contribution is less than \$10,000 are considered de minimis and are exempted from paying into the Universal Service Fund. To be exempt, a carrier must meet the de minimis criteria on both the current 499A and 499Q forms.

You meet the de minimis criteria on both the 499A and the current 499Q. Therefore, you are eligible for the de minimis exemption during the current quarter.

Your eligibility was calculated using the contribution factors established by the FCC for determining de minimis status on each form:

499A:

$$\frac{\text{499A Contribution Base}}{\text{FCC Estimated Annual Factor}} = \text{Estimated 499A Contribution}$$

0.144000

499Q:

$$\frac{\text{Adjusted Contribution}}{4} = \text{Estimated 499Q Contribution}$$

For more information on the FCC estimated annual factor, please see the Form 499A Instructions. For more information on the current FCC contribution factor, visit the FCC website at www.fcc.gov.

Support Mechanism Charges

Your total monthly contribution is determined by multiplying one-third of your adjusted quarterly contribution base by the current quarter's FCC contribution factor. Your contribution is then allocated among the four support mechanisms according to the established allocation percentages for the current quarter.

$\frac{1}{3}$	*	$\frac{\text{Adjusted Quarterly Contribution}}{\text{High Cost Allocation Percentage}}$	=	$\frac{\text{Total Monthly Contribution}}{\text{High Cost Support Mechanism Charge}}$
		0.468431		\$ 0.00
$\frac{\text{Total Monthly Contribution}}{\text{Low Income Allocation Percentage}}$	*	0.276765	=	$\frac{\text{Total Monthly Contribution}}{\text{Low Income Support Mechanism Charge}}$
		0.013837		\$ 0.00
$\frac{\text{Total Monthly Contribution}}{\text{Rural Health Care Allocation Percentage}}$	*	0.240967	=	$\frac{\text{Total Monthly Contribution}}{\text{Schools \& Libraries Support Mechanism Charge}}$
				\$ 0.00



Filer 499 ID: 808746
 Invoice Number: UBDI0000591264
 Statement Date: 12/21/2012

Interest & DCIA Penalties

A DELINQUENT DEBT incurs interest at the annual rate equal to the U.S. prime rate as of the DATE OF DELINQUENCY plus 3.5 percent from that DATE until the DEBT is paid in full. Any portion of the DEBT unpaid more than 90 days, incurs a penalty of 6 percent a year from the DATE OF DELINQUENCY. The reverse of the Invoice provides more information on interest, penalties, and administrative charges.

Description - Debt Due Date	Principal	Payment/ Credit Date	Interest Rate	Days Late	Additional Interest (B*(D/365)*E)	Accrued Interest	Total Interest (F+G)	Payment & Credits Applied	Interest Outstanding	Principal Outstanding
A	B	C	D	E	F	G	H	I	J	K

Outstanding Items

UBDI0000573262 - 10/15/2012	\$352,337.34		6.75%	29	\$1,889.60	\$2,019.91	\$3,909.51		\$3,909.51	\$352,337.34
					<u>\$1,889.60</u>			<u>\$0.00</u>	<u>\$3,909.51</u>	<u>\$352,337.34</u>
								Principal Outstanding		\$352,337.34
								Interest & Penalties		\$3,909.51
								Total Amount Due		<u>\$356,246.85</u>

EXHIBIT “D”



Via FedEx, Email, and Fax

January 31, 2013

USAC Billing and Disbursement
2000 L Street, NW
Suite 200
Washington, DC 20036
Fax: 888-637-6226
Email: customersupport@usac.org

Re: Statement of Account for EasyLink Services (Filer 499 ID 808746)

Ladies and Gentlemen:

Reference is made to the Statement of Account dated January 22, 2013 for EasyLink Services, in the amount of \$363,660.42, a copy of which is attached.

My position here as General Counsel of EasyLink Services International Corporation began in June 2011. EasyLink Services is a provider of electronic messaging services, such as electronic data interchange, email, and fax-to-mail services.

Looking through our files, EasyLink has not been a USAC filer for many years now.

Our Vice President, Peter Macaluso, sent a letter to Mr. Fabio Nieto at USAC in July 2004. On July 1, 2010, our Chief Financial Officer, Glen Shipley, sent a letter to Mr. Chang at USAC, stating that EasyLink is a provider of enhanced messaging services, falling under the category of "information services" which are not subject to any universal service fund fees.

On January 16, 2013, I sent a letter to USAC Billing and Disbursement, and I have yet to see a reply from you.

Once again, I would ask that USAC terminate our existing FCC 499 ID # 808746 and reverse any outstanding balances that your records incorrectly indicate are due from EasyLink.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jack Harwood', written over a light blue horizontal line.

Jack Harwood
Vice President and General Counsel
EasyLink Services International Corporation

Attachment (1)



Filer 499 ID: 808746
 Invoice Number: UBDI0000597264
 Statement Date: 01/22/2013
 New Balance: \$ 363,660.42
 Payment Due Date: 02/15/2013
 Amount Enclosed:

EasyLink Services
 Attention: Scott Lewis
 6025 The Corners Parkway, Suite 100
 Norcross, GA, 30092

Mail Payment To:
 Universal Service Administrative Company
 PO Box 105056
 Atlanta, GA 30348-5056

Address Change? See reverse side for instructions.

☐ If paying for multiple Filer 499 IDs, please check here and complete form on back.

Send top portion of statement with payment in enclosed envelope. Keep bottom portion for your records.

STATEMENT OF ACCOUNT

Date	Description	Charges	Credits
	Previous Balance	\$356,246.85	
01/15/2013	Interest & DCIA Penalties	\$7,413.57	
	TOTAL OUTSTANDING USAC BALANCE AS OF 1/15/2013	\$363,660.42	

Transactions occurring after 01/15/2013 are not reflected on this statement.

Under the Debt Collection Improvement Act of 1996 (Pub. L. 104-134) (DCIA), your **BALANCE DUE** is a demand that you pay a DEBT owed to the United States on or before the **DUE DATE**. If the **DUE DATE** is non-business day, payment must be received the business day before that date. Any portion of the DEBT unpaid after the **DUE DATE** is a **DELINQUENT DEBT**, which may result in sanctions, including interest, penalties, and administrative charges. Failure to file a Telecommunications Worksheet may result in a late filing fee DEBT added to your **BALANCE DUE**. Read the reverse of this Invoice for important information about those sanctions and your legal rights and obligations.

Statement Date	Invoice Number	Filer 499 ID	Balance Due USAC
01/22/2013	UBDI0000597264	808746	\$ 363,660.42
FORM 499Q DATA This month's support mechanism charges were calculated using an FCC contribution factor of 0.161000 and the following revenue data: <u>November 2012 499Q</u> 120b 120c If the figures do not correspond with your records, please contact USAC Customer Service at 888-641-8722		PAYMENT INFORMATION All payments received (regardless of specific instructions) will be applied to your outstanding USAC balance in historical order as outlined in FCC order 07-150. Please remit ACH payments in a CCD+ format to ABA #071000039, Account #5590045653. All Wire Transfers should be sent to ABA #026009593, DDA (or Account) #5590045653. Payments must include your Company Name, Filer 499 ID, and Invoice Number to ensure timely posting.	

EXHIBIT “E”



Administrator's Decision on Contributor Appeal

By Certified Mail

August 20, 2013

Mr. Jack Harwood
Vice President and General Counsel
EasyLink Services International Corporation
6025 The Corners Parkway
Suite 100
Norcross, GA 30092

Re: EasyLink Services International Corporation (Filer ID 808746)
Letter of Appeal dated October 18, 2012

Dear Mr. Harwood:

The Universal Service Administrative Company (USAC) has completed its evaluation of the appeal you submitted on behalf of EasyLink Services International Corporation (EasyLink), dated January 16, 2013. The appeal concerns the December 21, 2012 Statement of Account for EasyLink in the amount of \$356,246.85. The appeal letter states that the company is an information service provider and is not subject to any universal service fund fees. The letter further requests that USAC terminate the FCC Form 499 Filer ID for EasyLink and reverse any outstanding balances. As discussed in more detail below, USAC hereby denies EasyLink's appeal.

Decision on Appeal: Denied.

Federal Communications Commission (FCC or Commission) regulations require that telecommunications carriers file an annual FCC Form 499-A. In addition, carriers are required to file quarterly FCC Forms 499-Q, unless they meet the *de minimis* exemption.¹

¹ See 47 C.F.R. § 54.706(a) ("Entities that provide interstate telecommunications to the public, or to such classes of users as to be effectively available to the public, for a fee will be considered telecommunications carriers providing interstate telecommunications services and must contribute to the universal service support mechanisms."). See also, 47 C.F.R. § 54.711(a) ("The Telecommunications Reporting Worksheet sets forth information that the contributor must submit to the Administrator on a quarterly and annual basis."); 47 C.F.R. § 54.708 (providing that "[i]f a contributor's contribution to universal service in any given year is less than \$10,000 that contributor will not be required to submit a contribution or Telecommunications Reporting Worksheet for that year unless it is required to do so by our rules governing Telecommunications Relay Service, numbering administration, or shared costs of local number portability"). We note that regulations governing the Telecommunications Relay Service require all interstate telecommunications service providers to file at least an annual Telecommunications Reporting

Mr. Jack Harwood
EasyLink Services International Corporation
August 20, 2013
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USAC relies on revenue reported on the FCC Form 499-Q to bill each carrier its federal Universal Service contribution obligations. USAC relies on the annual FCC Form 499-A to reconcile billings for the previous year, as reported on the FCC Forms 499-Q.²

EasyLink first reported telecommunications revenue on its March 1997 FCC Form 457. EasyLink continued to report telecommunications revenue subject to federal Universal Service contribution obligations through the April 2003 FCC Form 499-A reporting calendar year 2002 revenue.³ As required by FCC rules,⁴ USAC relied on the revenue provided by EasyLink on its FCC Forms 457 and FCC Forms 499 to calculate the companies' monthly federal Universal Service contribution obligations. In July 2003, EasyLink notified USAC via notarized letter that as of June 30, 2002, it was no longer providing telecommunications and was instead an information services provider. Based on this information, USAC deactivated EasyLink's Filer ID effective June 30, 2002. EasyLink's invoice balance as of June 30, 2002 was \$103,998.64, representing amounts that the company had failed to pay while it was an active provider of telecommunications with a federal Universal Service contribution obligation. In July, August and September 2002, USAC posted \$319,541.94 in adjustments to EasyLink's USAC invoices for the annual/quarterly (A/Q) FCC Form 499 True Up of calendar year 2001, which USAC calculated using the revenues reported on EasyLink's 2002 FCC Form 499-A filed on March 28, 2002. When combined with the outstanding invoice balance as of June 2002, EasyLink owed federal Universal Service contributions of \$423,540.58.⁵

In 2007, the FCC, in its *Comprehensive Review Order*, directed USAC to assess late fees on all unpaid balances.⁶ Pursuant to the *Comprehensive Review Order*, failure to pay invoiced amounts when due will result in late charges being assessed on the amount outstanding.⁷ However, prior to the FCC's issuance of the *Comprehensive Review Order*, section 54.713 of the FCC's rules permitted USAC to charge an assessment for reasonable costs incurred due to late payments of contributions.⁸ USAC records show

Worksheet (FCC Form 499-A). 47 C.F.R. § 64.604(c)(5)(iii)(A-B). Regulations governing local number portability and number administration require all telecommunications carriers providing service in the United States to complete an FCC Form 499-A. 47 C.F.R. §§ 52.32(b) and 52.17(b).

² See generally 47 C.F.R. Part 54.

³ EasyLink also filed the 2004 and 2005 FCC Forms 499-A, however, each reported only non-telecommunications revenue.

⁴ See 47 C.F.R. § 54.709(a).

⁵ Although its Filer ID was deactivated, USAC's billing system continued to erroneously charge EasyLink in several months after June 2002. Due to the complexity of the charges and reversals that took place to resolve the issues, this administrator's decision letter will not detail each transaction and its correcting adjustments.

⁶ 47 C.F.R. § 54.713(b). See also, *In the Matter of Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight*, WC Docket No. 05-195, et al., Report and Order, FCC 07-150, 22 FCC Rcd 16372, 16379, ¶ 14 (2007) (*Comprehensive Review Order*).

⁷ 47 C.F.R. § 54.713(b).

⁸ 47 C.F.R. § 54.713 (1997-2006) ("The Administrator may bill a contributor a separate assessment for reasonable costs incurred because of that contributor's filing of an inaccurate or untruthful worksheet, failure to file a worksheet, or late payment of contributions.").

Mr. Jack Harwood
EasyLink Services International Corporation
August 20, 2013
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that since June 2002, EasyLink has made five payments totaling \$72,734.83, leaving \$350,805.75 of federal Universal Service contribution obligations outstanding for the period that EasyLink was an active provider of telecommunications. As a result, EasyLink was assessed late payment interest and penalties from July 2002 through January 2011 totaling \$1,605.63, bringing its outstanding balance to \$352,411.38.

Currently, any debt more than 120 days old will be transferred to the United States Department of Treasury (Treasury) for collection.⁹ After July 1, 2003, but prior to May 2011, USAC was required to transfer any debt over 90 days old to the FCC for collection. Pursuant to the Debt Collection Improvement Act (DCIA), in August 2005, September 2005, December 2007, and January 2011, USAC collectively transferred \$365,497.97 to the FCC related to EasyLink's outstanding federal Universal Service contribution charges and related interest and penalties for collection pursuant to the Debt Collection Improvement Act (DCIA).¹⁰ This resulted in a credit balance on the company's January 2011 USAC invoice of \$13,086.59, with \$365,497.97 owed in full to the FCC.¹¹ After the debt was transferred, the FCC assessed an additional 45 days of interest and penalties on the transferred amounts, bringing the total transferred amount to \$370,950.70.¹² Based on information provided to USAC by the FCC, EasyLink paid \$5,526.77 of that amount, leaving a remaining balance at the FCC of \$365,423.93.

In June 2012, at the FCC's direction, USAC recalled all the outstanding federal Universal Service contribution obligation amounts that USAC had previously transferred to the FCC back to USAC. As a result, in September 2012, USAC invoiced EasyLink for \$365,423.93, which consisted of the unpaid federal Universal Service contribution obligations for the period through June 2002 *originally* transferred to the FCC, plus the additional 45 days of late payment interest and penalties incurred while the debt was with the FCC.¹³ USAC offset the recalled amounts by EasyLink's USAC credit balance of \$13,086.59, leaving a remaining outstanding federal Universal Service balance of \$352,337.34. Because EasyLink did not pay the September 2012 invoice by the stated due date, an additional \$3,909.51 in interest and penalties was applied to the November and December 2012 invoices, bringing the December 2012 invoice balance to \$356,246.85.

⁹ A debt transfer process was implemented pursuant to the Debt Collection Improvement Act of 1996, Pub. L. No. 104-134, 110 Stat. 1321, 1358 (1996) (DCIA). The DCIA requires, among other things, that federal agencies transfer debts delinquent over 180 days to the United States Department of Treasury (Treasury) for further collection action. The DCIA also allows agencies to transfer debts under 180 days to the Treasury. 47 C.F.R. § 1.1917(c).

¹⁰ *Id.*

¹¹ Due to the various erroneous charges and reversals noted in footnote 5 above, the DCIA transfers were in excess of the delinquent debt, resulting in the USAC credit balance.

¹² This balance does not include any other administrative fees applied by the FCC in addition to the interest.

¹³ The September 2012 invoice included a DCIA Transfer Reversal of \$346,884.61, a DCIA Penalty of \$8,724.37, and a Late Payment Fee of \$9,814.95, together totaling the \$365,423.93 of outstanding debt.

Mr. Jack Harwood
EasyLink Services International Corporation
August 20, 2013
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On January 16, 2013, EasyLink submitted an appeal letter to USAC referencing the December 2012 invoice balance of \$356,246.85. The letter stated that the company is an information service provider and is not subject to any universal service fund fees, and that in both July 2004 and July 2010 the company had contacted USAC about this change in status. The letter requested that USAC terminate the FCC Form 499 Filer ID for EasyLink and reverse any outstanding balances.

As explained above, USAC deactivated EasyLink's Filer ID effective June 30, 2002. The \$356,246.85 balance on EasyLink's December 2012 USAC invoice reflects mandatory federal Universal Service contribution obligations owed by the company through June 2002, plus the A/Q FCC Form 499 True up for calendar year 2001, and related interest and penalties. This is the period in which EasyLink informed USAC it was providing telecommunications services, and these amounts have always been owed by EasyLink. In other words, the \$356,246.85 is not comprised of billings calculated for periods in which EasyLink was no longer a provider of telecommunications.

USAC's review of the facts and circumstances pertaining to EasyLink's December 2012 USAC invoice balance confirms that USAC has correctly applied the FCC orders and rules pertaining to the calculation and invoicing of EasyLink's federal Universal Service contribution obligations, assessment of applicable late payment interest and penalties, and transfer of EasyLink's delinquent debt to the FCC pursuant to the DCIA. Because the charges were appropriately assessed and there was no error on USAC's part, EasyLink's request that USAC reverse any outstanding balance on the account is hereby denied.

The FCC, in its *Comprehensive Review Order*, directed USAC to assess late payment interest against all federal Universal Service contributors that are more than 30 days delinquent in paying their federal Universal Service invoiced obligations,¹⁴ and additional late payment penalties against all federal Universal Service contributors that remain more than 90 days delinquent in paying their federal Universal Service invoiced obligations.¹⁵ Failure to pay invoiced amounts when due will result in late charges being assessed on the amount outstanding.¹⁶ Any debt more than 120 days old will be transferred to the United States Department of Treasury for collection.¹⁷ The USAC website explains that late payment penalties will not be waived unless the dispute is determined to be the result of a USAC error.¹⁸ The FCC has upheld USAC's pay and dispute procedure, finding that "[a]bsent enforcement of the pay and dispute procedure, contributors may choose to engage in...nonpayment or underpayment of invoices with which they disagree, thereby

¹⁴ *Comprehensive Review Order*, 22 FCC Rcd 16372, 16379, ¶ 14.

¹⁵ *Id.* at 22 FCC Rcd 16380-81, ¶ 16.

¹⁶ 47 C.F.R. § 54.713(b).

¹⁷ See USAC Website, Paying Invoices, <http://usac.org/cont-paying-invoices/dcia.aspx> (last visited August 8, 2013).

¹⁸ See USAC Website, Billing Disputes, <http://www.usac.org/cont/about/billing-disputes.aspx> (last visited July 3, 2013).

Mr. Jack Harwood
EasyLink Services International Corporation
August 20, 2013
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harming the predictability of the fund.”¹⁹ USAC’s website provides guidance that specifically advises contributors who intend to file appeals that they must keep their accounts current or risk receiving late payment fees.²⁰

USAC’s records indicate that EasyLink failed to timely pay the December 2012 USAC invoice. As a result, the company incurred late payment penalties totaling \$29,567.44, as reflected on its January through July 2013 invoices. USAC wishes to advise EasyLink that it will continue to receive late payment penalties related until the invoiced balance is paid in full.

If you wish to appeal this decision, you may file an appeal pursuant to the requirements of 47 C.F.R. Part 54, Subpart I. Detailed instructions for filing appeals are available at:

<http://www.usac.org/cont/about/program-integrity/appeals.aspx>

Sincerely,

USAC

cc: Cheryl Collins, FCC Office Managing Director
Terry Cavanaugh, FCC Enforcement Bureau
Pamela Kane, FCC Enforcement Bureau
William Kehoe, FCC Enforcement Bureau
Chin Yoo, FCC Wireline Competition Bureau
Vickie Robinson, FCC Wireline Competition Bureau
Erica Myers, FCC Wireline Competition Bureau

¹⁹ *In the Matter of Universal Service Contribution Methodology Requests for Waiver of Decisions of the Universal Service Administrator by ComScape Telecommunications of Raleigh-Durham, Inc. and Millennium Telecom, LLC*, WC Docket No. 06-122, Order, DA 10-1050, 25 FCC Rcd 7399, 7401, ¶ 7 (2010); accord *In the Matter of Universal Service Contribution Methodology Emergency Request for Review of Universal Service Administrator Decision by Level 3 Communications, LLC et al.*, WC Docket No. 06-122, Order, DA 10-187, 25 FCC Rcd 1115, 1120, ¶ 9 (2010) (finding that the carrier “could have avoided incurring late fees, penalties, and interest charges from which it seeks relief by paying the full invoiced amount in compliance with USAC’s ‘pay and dispute’ policy”); *In the Matter of Federal-State Joint Board on Universal Service Request for Review of Decision of the Universal Service Administrator by Global Crossing Bandwidth, Inc.*, CC Docket No. 96-45, Order, DA 09-1821, 24 FCC Rcd 10824, 10831 (2009) (explaining that “to ensure the sufficiency of the universal service fund, contributors are required to pay disputed invoices under the ‘pay and dispute’ policy” and finding that the carrier should have paid its disputed invoices while its appeal was pending with the FCC).

²⁰ See USAC Website, Program Integrity - Appeals, <http://www.usac.org/cont/about/program-integrity/appeals.aspx> (last visited July 3, 2013).

EXHIBIT “F”

DECLARATION OF JACK HARWOOD

I, JACK HARWOOD, do hereby declare as follows:

1. I am the Vice President and General Counsel of EasyLink International Corporation ("EasyLink"), 6025 The Corners Parkway, Suite 100, Norcross, Georgia 30092.
2. I have personal knowledge of the facts set forth herein and if called to testify would and could do so truthfully.
3. My first day with EasyLink as General Counsel was June 25, 2011.
4. Based on the USAC Statement of Account for Form 499 Filer ID No. 808746 (the "Account") dated June 22, 2011 and all subsequent monthly invoices received through August 2012, I was under the impression that USAC owed EasyLink an outstanding credit of \$13,086.59 and that EasyLink owed no outstanding debts related to its previous Universal Service Fund contributor obligations.
5. I and others at EasyLink have searched our records as they relate to the Account. Our records indicate that, with respect to the Account, no correspondence was transmitted to USAC on behalf of EasyLink on October 18, 2012.
6. On January 16, 2013, I submitted a letter to USAC regarding the Statement of Account dated December 21, 2012 for EasyLink Services. I submitted the letter in triplicate: (i) FedEx to USAC Billing and Disbursement, (ii) email to customersupport@usac.org, and (iii) facsimile to 888-637-6226. I did not intend to file a formal appeal with USAC.
7. On January 31, 2013, I sent a follow-up letter to USAC – via the same three channels – this time regarding the Statement of Account dated January 22, 2013 for Easy Link Services. I did not intend to file a formal appeal.

8. EasyLink has sought clarification from USAC regarding the claimed outstanding amounts. USAC has admitted to EasyLink that USAC has made numerous errors on EasyLink's account. It is necessary for EasyLink to seek the Commission's relief directing USAC to review and reconcile EasyLink's account in light of the substantial errors and the USAC Administrator's refusal to detail those errors in the Administrator's August 20, 2013 decision.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.



Jack Harwood, Vice President and General Counsel

Executed on: October 21, 2013

CERTIFICATE OF SERVICE

I, Michelle W. Cohen, do hereby certify that a copy of the foregoing Request for Review by EasyLink Services International Corporation of Decision of Universal Service Administrator in WC Docket No. 06-122 was served, as specified on this 21st day of October 2013, to the following:

Administrator
USAC
2000 L Street NW, Suite 200
Washington, DC 20036


Michelle W. Cohen